

Amos Kendall to Andrew Jackson, August 25, 1833, from Correspondence of Andrew Jackson. Edited by John Spencer Bassett.

AMOS KENDALL TO JACKSON.

New York, August 25, 1833.

Dear Sir, This morning I arrived here on my return. A most painful occurrence in my father's family detained me with the old gentleman two days longer than I expected. It was the mysterious disappearance of my youngest brother, of whom nothing positive was known when I left.

In Boston some of the Banks are not only willing to undertake the government business on the same terms that the Bank United States does it, but to give the personal responsibility of their Directors and all they possess, for the security of the government. The Maine Bank at Portland has made the same tender. I expect to receive a similar offer from Portsmouth. Here there seems to be some hesitation as to the security; but I hope to carry that point. If it can be effected here, I have no doubt of effecting the same object in Philadelphia. I shall probably be detained here two days and in Philadelphia one. On Friday or Saturday next I shall very certainly be in Washington, should I meet with no unexpected obstacle.

It is very important that the question of the deposits should be speedily settled. The U.S. Br. Bank here makes no discounts and cashes all its balances against the state banks. It is said that a million of dollars is payable for duties this week. Not being able to get accommodations at the U.S. Br. Bank, the merchants go to the state banks, and if these lend their notes to pay the duties with, they go at once into the Branch which turns about and demands specie of them. If the state banks refuse to loan, as their own safety will

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soon compel them to do, many of these merchants who have calculated on the usual facilities, will probably stop payment.

This power the Branch possesses *solely* from being in receipt of the government money. It is this and this only which enables it to rule the mercantile community here with a rod of iron. If the bonds were payable in the state banks, no balances or very light ones, would arise against them in the U.S. Br. Bank, and generally the balances would be the other way. They would also have means they do not now possess to accommodate the merchants.

These considerations make it important that the question of the deposits should be settled. If the *money-tyrant* finds that he is to retain all his present power, it may be that he will have mercy on the *free people* of this City; and if, on the other hand, he is to be stripped of the means which give him that power, they will at once be relieved from his oppression. The course the U.S. Bank is now pursuing makes it all important that whatever is resolved on, shall be done at once; for delay will but enable it to increase the public distress. If the transfer of the deposit be placed at a distant day, it will during the whole interval, procure its present policy and the state banks can grant no relief; but an immediate transfer will strengthen the state banks and give relief at once. The only question, therefore, seems to me to be *an immediate removal* or *no removal*. Any compromise between the two will but inflict unnecessary injury upon the country.

It will be my duty to report some interesting facts and opinions I have picked up while on this tour which I think I can do in three days after my return, so that all may be prepared for final action by Wednesday the 4th day of September.

If what I hear from Philadelphia be true, I do not perceive how any man can say the deposits are any longer *safe* in the U.S. Bank. If there be a resolution of the Board of Directors authorizing Mr. Biddle to spend the money of the Bank as he pleases, and if he has under that resolution spent tens of thousands of dollars without rendering an account

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or a voucher, what security have the people for the millions of their money which are thus put at his disposition? But if this be true, I presume the government directors have reported it to you.

August 26th. As the mail closes for the South at 1 o'clock P. M. on Sunday in this City, of which I was not aware, I failed to communicate with you as I intended.

I have since heard verbally from two of the Banks, one of which will give the requisite security. There can be little doubt that others will do the same. In the course of the day, I shall hear more about it.

With the highest respect and regard, I am etc.